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DE RUEHHE #1058/01 2901330  
ZNY CCCCC ZZH  
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FM AMEMBASSY HELSINKI  
TO RUEHC/SECSTATE WASHDC 2617  
INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE  
RUEHKH/AMEMBASSY KHARTOUM 0003

C O N F I D E N T I A L SECTION 01 OF 02 HELSINKI 001058

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E.O. 12958: DECL: 10/17/2016  
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SUBJECT: PUTIN AT THE OCT. 20 EU HEADS OF GOVERNMENT  
INFORMAL - A PREVIEW

Classified By: POLCHIEF GREGORY THOME FOR REASONS 1.4 (B) AND (D)

¶1. (C) SUMMARY: The October 20 EU Heads of State or Government Informals will feature two main components: (1) the informal EU leaders' sessions, where principals will discuss migration, Darfur, innovation and energy; and (2) a dinner with Russian President Putin, which will focus on energy issues and the "EU-Russia Strategic Partnership." GOF officials tell us that under the rubric of the Strategic Partnership, EU leaders intend to raise human rights and the situation in Georgia. End Summary.

¶2. (SBU) Finland will host the Informal Meetings of the EU Heads of State or Government in Lahti, Finland on October 20. In keeping with its efforts to return to the "informal spirit" of EU informals, the Finnish Presidency does not plan for the meetings to produce formal conclusions. And in a significant departure from past practice, the Finns have invited Russian President Vladimir Putin to attend a dinner with EU Heads of State and Government following the informal meetings, ostensibly for an off-the-record discussion of energy and general economic issues.

The Informals: Migration, Darfur, Energy, Innovation  
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¶3. (SBU) According to Johan Schalin, the Finnish Prime Minister's Special Advisor on Foreign Policy, the informal meetings of EU leaders will focus primarily on four topics: migration, the EU's operation in Darfur, innovation and energy. Regarding migration, Schalin acknowledged that unhelpful divisions emerged within the Union during the September JHA informals, and that finding a common EU response will remain very difficult, given that border control is still a MS competency. However, he added, the heads of state recognize they must make a political statement emphasizing that illegal migration is a problem the EU must face together. On Darfur, the UK will also make a brief presentation on the deteriorating situation on the ground and the urgency of rehatting the current African Union/ESDP mission under a robust UN mandate.

¶4. (SBU) Regarding external energy relations, Schalin confirmed that the meeting will focus on security of supply, climate change, rising prices and laying the foundation for the development of a common EU energy policy. Leaders will likely focus on what principles should form the basis of the EU's energy relations with Russia -- an exchange of views that will serve as the basis for discussion with Putin over dinner the same day. (see para 7).

¶5. (SBU) Innovation policy discussions will also feature prominently in Lahti. Worried that the EU is lagging

behind its competitors, Heads of State will discuss possible barriers to competitiveness including the lack of a harmonized patent system, relatively low levels of research and development investment in some EU countries and a scarcity of venture capital. Schalin highlighted the patent issue in particular, noting that language policy has hindered progress since member countries cannot agree in which language patent applications should be filed.

#### My Dinner With Vladimir: Energy, Strategic Partnership

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¶16. (SBU) Following the "official" portion of the informals, the Finnish Presidency will host a dinner with Russian President Vladimir Putin to discuss energy and the EU-Russia Strategic Partnership. Regarding energy security, the EU will stress to Putin that it wants to construct a framework of binding energy agreements that would promote a transparent, balanced environment for doing business and that would facilitate open markets and western investment in energy production.

¶17. (C) In addition to energy, pressure has been building to address human rights and the situation in Georgia with Putin. The Presidency is gathering a list of human rights topics from the MS and will take the lead in raising each at the dinner. In order to avoid too unwieldy a session and "because Putin knows what we think" about most issues, emphasis will be placed on simply making mention of EU concerns, rather than lengthy condemnations or critiques. (Certain MS, however, will take the floor on certain issues, Schalin noted, offering no specifics.) As regards Georgia, Schalin noted that while Commission President Jose

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Manuel Barroso will make a statement of EU concerns, the EU leaders are mindful that only one of the antagonists will be present and the goal is to "lower the temperatures" on both sides.

#### Comment

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¶18. (SBU) There has been much speculation of unhappiness in the Finnish -- and, increasingly, Brussels-based -- press regarding the GOF's decision to invite Putin to the Lahti informals. However, if the Finns and other EU leaders stick to the script they've outlined, the event could prove a useful forum for reminding Russia that the world is closely watching how it develops its energy policy and how it conducts itself on human rights. We will follow up with our contacts during and after the informal to see how much the EU leaders diverge -- or how much their cagey interlocutor causes them to diverge -- from their stated goals. End Comment.

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